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## CITY OF ALLENTOWN, PENNSYLVANIA

COMPONENT UNITS  
COMBINING STATEMENTS OF NET ASSETS  
DECEMBER 31, 2009

	Allentown Redevelopment Authority	AEDC	Allentown Parking Authority	Totals
<b><u>ASSETS</u></b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 530,145	\$ 1,633,529	\$ 835,266	\$ 2,998,940
Cash and cash equivalents - restricted	-	1,357,805	-	1,357,805
Cash and cash equivalents - designated	-	-	-	-
Investments, certificates of deposits	-	-	1,285,524	1,285,524
Accounts receivable	199,052	416,749	277,090	892,891
Accrued interest receivable	-	-	15,343	15,343
Inventory	-	-	28,907	28,907
Prepaid expenses	-	-	271,685	271,685
Due from other governments	37,640	-	-	37,640
Notes receivable, current maturities	880,000	-	-	880,000
Miscellaneous receivables and prepayments	-	-	-	-
Total current assets	1,646,837	3,408,083	2,713,815	7,768,735
CAPITAL ASSETS, net of accumulated depreciation	2,168,744	24,397,557	44,011,527	70,577,828
DEFERRED CHARGES, net of accumulated amortization	-	-	314,979	314,979
OTHER ASSETS	-	1,048,718	-	1,048,718
<b>TOTAL ASSETS</b>	<b>\$ 3,815,581</b>	<b>\$ 28,854,358</b>	<b>\$ 47,040,321</b>	<b>\$ 79,710,260</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	\$ 37,641	\$ 38,261	\$ 392,747	\$ 468,649
Line of credit	-	-	340,853	340,853
Accrued expenses	-	-	276,520	276,520
Bonds payable	-	-	1,243,326	1,243,326
Other current liabilities	24,001	295,280	79,713	398,994
Total current liabilities	61,642	333,541	2,333,159	2,728,342
<b>NONCURRENT LIABILITIES:</b>				
Deferred revenue	-	-	10,757,508	10,757,508
Mortgage and note payable	-	4,805,630	-	4,805,630
Other postemployment benefit liability	-	-	15,042	15,042
Bonds payable	-	-	18,558,402	18,558,402
Total noncurrent liabilities	-	4,805,630	29,330,952	34,136,582
Total liabilities	61,642	5,139,171	31,664,111	36,864,924
<b>NET ASSETS:</b>				
Invested in capital assets net of related debt	2,168,744	19,391,927	23,868,946	45,429,617
Unrestricted net assets (deficit)	1,585,195	4,323,260	(8,492,736)	(2,584,281)
Total net assets	3,753,939	23,715,187	15,376,210	42,845,336
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,815,581</b>	<b>\$ 28,854,358</b>	<b>\$ 47,040,321</b>	<b>\$ 79,710,260</b>

## CITY OF ALLENTOWN, PENNSYLVANIA

COMPONENT UNITS  
COMBINING STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Allentown Redevelopment Authority	AEDC	Allentown Parking Authority	Totals
<b>SUPPORT AND OPERATING REVENUE</b>				
Charges for services				
Parking fees	\$ -	\$ -	\$ 5,754,523	\$ 5,754,523
Rental Income	-	1,366,217	-	1,366,217
Fees and service charges	-	600	-	600
Management fee income	-	23,624	-	23,624
Professional services	-	4,066	-	4,066
Contributions and grants	-	34,500	-	34,500
Other Income	1,469,813	-	-	1,469,813
Intergovernmental revenue	751,471	388,171	-	1,139,642
Total support and operating revenue	<u>2,221,284</u>	<u>1,817,178</u>	<u>5,754,523</u>	<u>9,792,985</u>
<b>OPERATING EXPENSES:</b>				
Administrative services and related costs	-	446,103	-	446,103
Advertising, promotion and marketing	471	683	-	1,154
City grant programs	-	300,337	-	300,337
City funding return to CDBG program	-	6,519	-	6,519
Commissions	-	49,500	-	49,500
Contributions	-	559,275	-	559,275
Depreciation and amortization	-	273,258	1,575,715	1,848,973
Dues and subscriptions	1,643	2,469	-	4,112
Insurance	3,307	66,139	-	69,446
Loan packaging	-	975	-	975
Materials and supplies	895	-	56,724	57,619
Office supplies and related expenses	1,420	14,377	-	15,797
Professional fees	5,223	89,026	-	94,249
Program expenses	366,826	8,015	-	374,841
Real estate and other taxes	-	30,662	-	30,662
Rent	-	1,782	-	1,782
Repair, maintenance and miscellaneous	-	96,479	-	96,479
Telephone and utilities	152	144,793	-	144,945
Trade associations	-	1,385	-	1,385
Training and professional development	2,040	982	-	3,022
Travel and meetings	169	7,264	-	7,433
Services and charges	-	-	778,405	778,405
Wages and benefits	139,960	-	2,223,225	2,363,185
Total operating expense	<u>522,106</u>	<u>2,100,023</u>	<u>4,634,069</u>	<u>7,256,198</u>
NET OPERATING REVENUE (EXPENSE)	<u>1,699,178</u>	<u>(282,845)</u>	<u>1,120,454</u>	<u>2,536,787</u>
<b>NONOPERATING REVENUE (EXPENSE):</b>				
Investment income	273	64,019	45,207	109,499
Interest expense	-	(233,203)	(915,956)	(1,149,159)
Gain (Loss) on disposal of capital assets	(87,976)	(1,418)	2,000	(87,394)
Miscellaneous	-	25,234	87,188	112,422
Total nonoperating revenue (expense)	<u>(87,703)</u>	<u>(145,368)</u>	<u>(781,561)</u>	<u>(1,014,632)</u>
Income before contributions	1,611,475	(428,213)	338,893	1,522,155
<b>CAPITAL CONTRIBUTIONS</b>				
Contributions to City of Allentown	-	-	(596,060)	(596,060)
CHANGE IN NET ASSETS	1,611,475	(428,213)	(257,167)	926,095
NET ASSETS, BEGINNING OF YEAR	<u>2,142,464</u>	<u>24,143,400</u>	<u>15,633,377</u>	<u>41,919,241</u>
NET ASSETS, END OF YEAR	<u>\$ 3,753,939</u>	<u>\$ 23,715,187</u>	<u>\$ 15,376,210</u>	<u>\$ 42,845,336</u>

## CITY OF ALLENTOWN, PENNSYLVANIA

COMPONENT UNITS  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Allentown Redevelopment Authority	AEDC	Allentown Parking Authority	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ -	\$ 1,433,987	\$ 5,356,118	\$ 6,790,105
Intergovernmental revenues	1,145,757	377,001	-	1,522,758
Payments to employees	-	(494,922)	(2,199,817)	(2,694,739)
Payments to suppliers	(606,412)	(1,613,865)	(956,327)	(3,176,604)
Net cash provided by operating activities	539,345	(297,799)	2,199,974	2,441,520
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Advance to/from other funds	24,350	-	-	24,350
Contributions to City of Allentown	-	-	(584,428)	(584,428)
Net cash used in noncapital financing activities	24,350	-	(584,428)	(560,078)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets	(599,581)	(16,436)	(696,195)	(1,312,212)
Proceeds from sale of capital assets	-	1,650,000	408,602	2,058,602
Additions to project development projects	-	(71,355)	-	(71,355)
Principal payments on notes and bonds payable	-	(2,002,031)	(1,350,000)	(3,352,031)
Proceeds from bonds payable	-	243,221	304,606	547,827
Interest paid	-	-	(937,994)	(937,994)
Debt issuance costs	-	-	(14,094)	(14,094)
Trustee fees	-	-	(13,122)	(13,122)
Net cash used in capital and related financing activities	(599,581)	(196,601)	(2,298,197)	(3,094,379)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Maturities of certificates of deposit	-	-	882,313	882,313
Purchase of certificates of deposit	-	-	(910,524)	(910,524)
Investment income	273	-	43,384	43,657
Realty income	-	-	96,728	96,728
Net cash provided by investing activities	273	-	111,901	112,174
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(35,613)</b>	<b>(494,400)</b>	<b>(570,750)</b>	<b>(1,100,763)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<b>565,758</b>	<b>3,485,734</b>	<b>1,406,016</b>	<b>5,457,508</b>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<b>530,145</b>	<b>2,991,334</b>	<b>835,266</b>	<b>4,356,745</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	1,611,202	(428,213)	1,120,454	2,303,443
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation and amortization	-	273,258	1,575,715	1,848,973
Change in assets and liabilities:				
Accounts and notes receivable	(1,075,527)	(64,850)	(32,224)	(1,172,601)
Loss on sale of assets	-	1,418	-	1,418
Inventory	-	-	2,530	2,530
Prepaid expenses	-	-	28,682	28,682
Accounts payable and accrued expenses	7,166	(48,819)	(114,793)	(156,446)
Deferred revenue	(3,496)	(11,170)	(355,614)	(370,280)
Other liabilities	-	(19,423)	(24,776)	(44,199)
Net cash provided by operating activities	\$ 539,345	\$ (297,799)	\$ 2,199,974	\$ 2,441,520

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**CITY OF ALLENTOWN, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
BUDGETARY BASIS - CAPITAL PROJECTS AND DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Capital Projects			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Charges for services	\$ -	\$ -	\$ 129,130	\$ 129,130
Intergovernmental revenues	-	1,828,454	1,878,934	50,480
Other	-	-	5,200	5,200
Total revenues	-	1,828,454	2,013,264	184,810
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	33,821,196	40,977,671	12,427,024	28,550,647
Debt service-principal	-	-	-	-
Debt service-interest	-	-	-	-
Total expenditures	33,821,196	40,977,671	12,427,024	28,550,647
Excess (deficiency) of revenues over (under) expenditures	(33,821,196)	(39,149,217)	(10,413,760)	28,735,457
OTHER FINANCING SOURCES (USES):				
Bond Issue Proceeds	-	5,252,846	5,260,214	-
Operating transfers-out	-	-	-	-
Operating transfers-in	1,580,000	1,650,000	1,650,000	-
Total other financing sources (uses), net	1,580,000	6,902,846	6,910,214	-
Net change in fund balances	<u>\$ (32,241,196)</u>	<u>\$ (32,246,371)</u>	(3,503,546)	<u>\$ 28,735,457</u>
Add back reserve for encumbrances			5,528,580	
Net effect of other income, and expenditure accruals			<u>655,584</u>	
Net change in fund balances			2,680,618	
FUND BALANCES , BEGINNING OF YEAR			<u>1,433,265</u>	
FUND BALANCES , END OF YEAR			<u>\$ 4,113,883</u>	

Schedule consists of both facing pages

Debt Service		
Original and Final Budget	Actual	Variance
-	-	-
\$ 25,000	\$ 14,700	\$ 10,300
-	-	-
2,575,600	2,575,600	-
3,961,452	3,960,851	601
6,562,052	6,551,151	10,901
(6,562,052)	(6,551,151)	(10,901)
-	-	-
-	-	-
6,562,052	6,551,151	10,901
6,562,052	6,551,151	10,901
\$ -	-	\$ -
-	-	-
-	-	-
\$ -	-	-

CITY OF ALLENTOWN, PENNSYLVANIA

COMBINING SCHEDULES OF CHANGES IN ASSETS AND LIABILITIES -  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Balance January 1, 2009	Additions	Deductions	Balance December 31, 2009
<b>EARNED INCOME TAX ESCROW:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 4,703,089	\$ 10,932,199	\$ 13,490,505	\$ 2,144,783
Due from other funds	-	152,024	152,024	-
<b>Total assets</b>	<b>\$ 4,703,089</b>	<b>\$ 11,084,223</b>	<b>\$ 13,642,529</b>	<b>\$ 2,144,783</b>
<b>Liabilities:</b>				
Due to other funds	\$ -	\$ 2,157,912	\$ 2,157,912	\$ -
Due to other governments	4,703,089	8,926,311	11,484,617	2,144,783
<b>Total liabilities</b>	<b>\$ 4,703,089</b>	<b>\$ 11,084,223</b>	<b>\$ 13,642,529</b>	<b>\$ 2,144,783</b>
<b>PAYROLL WITHHOLDING FUNDS:</b>				
Cash and cash equivalents	\$ 1,302,498	\$ 15,873,396	\$ 15,636,922	\$ 1,538,972
<b>Total assets</b>	<b>\$ 1,302,498</b>	<b>\$ 15,873,396</b>	<b>\$ 15,636,922</b>	<b>\$ 1,538,972</b>
<b>Liabilities:</b>				
Payroll tax liability	\$ 1,302,498	\$ 15,841,860	\$ 15,605,386	\$ 1,538,972
Due to other funds	-	31,536	31,536	-
<b>Total liabilities</b>	<b>\$ 1,302,498</b>	<b>\$ 15,873,396</b>	<b>\$ 15,636,922</b>	<b>\$ 1,538,972</b>
<b>TAX COLLECTION FUND:</b>				
Cash and cash equivalents	\$ 3,792,118	\$ 77,527,798	\$ 77,565,541	\$ 3,754,375
<b>Total assets</b>	<b>\$ 3,792,118</b>	<b>\$ 77,527,798</b>	<b>\$ 77,565,541</b>	<b>\$ 3,754,375</b>
<b>Liabilities:</b>				
Due to other funds	\$ -	\$ 22,035,099	\$ 22,035,099	\$ -
Due to other governments	3,792,118	55,492,699	55,530,442	3,754,375
<b>Total liabilities</b>	<b>\$ 3,792,118</b>	<b>\$ 77,527,798</b>	<b>\$ 77,565,541</b>	<b>\$ 3,754,375</b>
<b>TOTAL ALL AGENCY FUNDS:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 9,797,705	\$ 104,333,393	\$ 106,692,968	\$ 7,438,130
Due from other funds	-	152,024	152,024	-
<b>Total assets</b>	<b>\$ 9,797,705</b>	<b>\$ 104,485,417</b>	<b>\$ 106,844,992</b>	<b>\$ 7,438,130</b>
<b>Liabilities:</b>				
Payroll tax liability	\$ 1,302,498	\$ 15,841,860	\$ 15,605,386	\$ 1,538,972
Due to other funds	-	24,224,547	24,224,547	-
Due to other governments	8,495,207	64,419,010	67,015,059	5,899,158
<b>Total liabilities</b>	<b>\$ 9,797,705</b>	<b>\$ 104,485,417</b>	<b>\$ 106,844,992</b>	<b>\$ 7,438,130</b>